

Allen-Scott Report

Castro Offers Secret 'Blackmail'

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Sugar Deal in Place of Ransom

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Communist dictator Castro is using "sugar diplomacy" to try to break the tightening U. S. economic embargo on Cuba and to woo other Latin American countries.

He is privately proposing a multi-million dollar sugar deal with the U. S. to sweeten his bitter "prison or ransom" demand for captives taken in last year's abortive Cuban invasion.

In secret feelers transmitted to the State Department through a "third party," Castro is offering to free the remaining 1,430 prisoners if the U. S. agrees to purchase approximately 3 million tons of this year's Cuban sugar crop at a price to be negotiated.

This "blackmail" offer, which would replace the \$62 million in ransom that Castro is now demanding, is being studied by Richard Goodwin, deputy assistant secretary of state for Latin American affairs, who is keeping close contact with Castro's regime through the Brazilian government.

THE OFFICIAL POLICY of the Kennedy administration is that the government will not take part in any ransom negotiations directly involving the prisoners.

But recently, Goodwin, with the Pres-



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ident's blessing, is exploring every possible peaceful means to help obtain the release of the anti-Castro fighters.

In fact, Castro's unexpected sugar proposal is believed to be the Cuban leader's response to a private message that Goodwin had Brazil's President Goulart send to Havana while he was visiting in Mexico.

Goodwin reportedly suggested that release of the prisoners by Castro without ransom payments would lead to arbitration of other Cuban-American differences and a "steady improvement of relations with the U. S."

President Goulart sent an emergency appeal while in Washington urging Castro to spare the lives of these captured invaders. He informed Castro through Brazil's embassy in Havana that Goodwin had asked him to intervene in behalf of the prisoners and relay President Kennedy's "thinking" to him.

PRESIDENT GOULART quoted Goodwin as saying that President Kennedy would continue to follow a policy of strict "non-intervention" in Cuba's internal affairs if Castro spared the lives of the prisoners.

Imports of sugar from Cuba have been banned for more than a year. However, Agriculture Secretary Freeman can establish an import quota for Cuba after June 30 unless Congress specifically bars Cuba from the U. S. sugar market.

No quotas have been set by Secretary Freeman for the last half of the year for any country because the present Sugar Control Act expires on June 30 unless extended by Congress.